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November 23, 2005

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station, 2nd floor Boston, MA 02202

Re: Bay State Gas Company, D.T.E. 05-27

Dear Ms. Cottrell:

Enclosed please find a proposed billing notice to customers to be used should the Motion of Bay State Gas Company for Certain Post Order Billing Authority, filed on November 21, be granted.

Very truly yours,

Ont 1. Demen g. Robert L. Dewees, Jr.

cc: Caroline O'Brien Bulger, Esq., Hearing Officer
 A. John Sullivan (7 copies)
 Andreas Thanos, Assistant Director, Gas Division
 Alexander Cochis, Assistant Attorney General (4 copies)
 Paul R. Osborne, Assistant Director, Rates & Revenue Requirements Division
 Andrew O. Kaplan, General Counsel
 Service List

Draft December Bill Message for Affected Customers

On November 30, 2005, the Massachusetts Department of Telecommunications and Energy approved new distribution rates for Bay State Gas Company effective December 1, 2005. However, the Company requires at least several days before it is able to begin billing customers on these new rates. Therefore, so that there will be no interruption in when you normally receive your monthly bill, we have billed your December consumption at the distribution rates that were in effect prior to December 1, 2005. The Company will adjust your January bill for the difference between the old distribution rates and the newly approved distribution rates, applied to your December consumption.

Draft January Bill Message for Affected Customers

This bill reflects an adjustment to your December bill for the new distribution rates approved by the Massachusetts Department of Telecommunications and Energy effective December 1, 2005. The new distribution rates were not reflected in your December bill, and the Company applied the old rates to your entire December bill regardless of when you consumed gas to avoid an interruption in when you normally receive your monthly bill. The adjustment on this bill reflects the application of the new rates to all consumption on or after December 1, 2005.